

DEPT. COMM. NO. 100

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STATE OF HAWAI'I OFFICE OF HAWAIIAN AFFAIRS

560 N. NIMITZ HWY., SUITE 200 HONOLULU, HAWAI'I 96817

December 17, 2018

Representative Scott Saiki House Speaker Hawai'i State Capitol Room 431 415 South Beretania Street Honolulu, Hawai'i 96813 Senator Ronald Kouchi Senate President Hawai'i State Capitol Room 409 415 South Beretania Street Honolulu, Hawai'i 96813

RE: Reporting obligations pursuant to HRS 10-14.5(a) relating to the Office of Hawaiian Affairs

Aloha mai House Speaker Saiki and Senate President Kouchi,

We appreciate your continuing support and guidance as we enter the 2019 legislative session. To follow through with our reporting obligations under HRS 10-14.5(a), please accept this correspondence for the Budget and Variance Report of the Office of Hawaiian Affairs, to be submitted to the legislature not fewer than 30 days before the legislature convenes in every odd-numbered year:

FY2020 FY 2021 Budget Estimates (Attachment A)

The Budget details OHA's budget for fiscal year 2020 and 2021 and contains (1) OHA's program structure; (2) the financial requirements for the next two fiscal years to carry out the recommended programs.

Six-Year Program and Financial Plan (Attachment B)

The Six-Year Program and Financial Plan details the financial plan of OHA's program structure and contains comparative information of the last completed fiscal year, the fiscal year in progress and the financial plan for the ensuing six fiscal years.

FY 2018 FY 2019 Variance Report (Attachment C)

The Variance Report contains information pertaining to three periods: the last completed fiscal year (FY18), the three months ended September 30, 2018, and the nine months ending June 30, 2019.

Please do not hesitate to contact me at 594-1890 or kamanaoc@oha.org or have your staff contact Chief Financial Officer, David Laeha, at 594-1999 or davidl@oha.org should there be any

House Speaker Scott Saiki and Senator President Ron Kouchi December 17, 2018 Page 2

questions regarding this correspondence or its attachments. Mahalo again and we look forward to working with you and your staff during the upcoming legislative session.

'O wau iho nō me ka 'oia'i'o,

Kamana opono M. Cubbe, Ph.D. Ka Pouhana, Chief Executive Office

Cc: Trustee Colette Machado, Chairperson, Board of Trustees

DEPT. COMM. NO. 100

OFFICE OF HAWAIIAN AFFAIRS FY 2020 2021 BUDGET ESTIMATES

	Genera	l Funds	Trust	Funds	Special	Funds	Federa	l Funds	Total Funds	
	Projected FY20	Projected FY21								
EXPENDITURES										
Current Programs:										
Board of Trustees										
Personnel	89,044	89,044	2,509,752	2,565,763	-	-	7	-	2,598,796	2,654,807
Program	-	-	196,994	201,799	-	-	-	-	196,994	201,799
Contracts	-	-	122,666	122,666	-	-	-	-	122,666	122,666
Grants	-	-	-	-	-		-	-	-	-
Travel		-	-	-	-	-	-	-	-	-
Overhead	_	12	-	-		-	-	-	-	-
Debt Service	· -	-	-	-	_	-	-		-	-
Subtotal - Board of Trustees	89,044	89,044	2,829,412	2,890,227	-	-	-	-	2,918,456	2,979,271
Support Services										
Personnel	1,262,875	1,262,875	5,915,644	6,052,779	-	-	-	-	7,178,519	7,315,654
Program	-	-	1,436,202	1,480,568	14,633	15,218	-	-	1,450,835	1,495,786
Contracts	524,400	524,400	4,340,776	4,378,901	121,680	126,547	-	-	4,986,856	5,029,848
Grants	_	-	63,579	63,579	39,000	40,560	-	-	102,579	104,139
Travel	-	-	436,622	437,087	29,624	30,809	-	-	466,247	467,896
Capital Investment & Equip	-		3,625,449	5,334,530	234,468	243,847	-	-	3,859,917	5,578,376
Overhead	296,874	296,874	4,036,517	4,079,802	21,736	22,605	-	-	4,355,127	4,399,282
Debt Service	-	-	3,133,404	3,084,770	932,578	-	-	_	4,065,982	3,084,770
Subtotal - Support Services	2,084,149	2,084,149	22,988,194	24,912,017	1,393,719	479,587	-	-	26,466,062	27,475,753
Beneficiary Advocacy										
Personnel	277,385	277,385	5,924,899	6,057,128		-	883,833	919,186	7,086,116	7,253,698
Program	-	-	318,552	326,321	-	-	65,671	68,298	384,223	394,618
Contracts	415,000	415,000	1,573,888	1,573,888	-	-	1,130,721	1,175,950	3,119,609	3,164,838
Grants	1,115,000	1,115,000	7,818,050	7,818,050	-	-	-	-	8,933,050	8,933,050
Travel	-	-	-	-	-	-	13,463	14,001	13,463	14,001
Capital Investment & Equip	-	-	26,687	26,687	750,000	750,000	2,080	2,163	778,767	778,851
Overhead	-	-	114,595	114,595	-	-	84,321	87,694	198,916	202,289
Debt Service	_	_	-	-	-		81,021	84,262	81,021	84,262
Subtotal - Beneficiary Advocacy	1,807,385	1,807,385	15,776,671	15,916,669	750,000	750,000	2,261,110	2,351,554	20,595,166	20,825,608
Total Expenditures	3,980,578	3,980,578	41,594,277	43,718,913	2,143,719	1,229,587	2,261,110	2,351,554	49,979,684	51,280,632

Notes

^{*}Additional funding was identified after submisssion of OHA's letter dated November 1, 2018, to Governor Ige re: OHA's Proposed Total Expenditures.

	Actual FY 2018						Projected FY 2019							
	General	Trust	Special	Federal	Total	General	Trust	Special	Federal	Total				
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds				
REVENUES														
General Fund Appropriations	3,037,879				3,037,879	3,037,879				3,037,879				
Public Land Trust	-	24,325,554			24,325,554		25,017,990			25,017,990				
Dividend & Interest Income	-	14,784,263	690	490,743	15,275,695		17,448,000		500,000	17,948,000				
Federal and Other Grants	-			394,107	394,107				1,258,264	1,258,264				
Newpaper Ads	-		57,803		57,803			60,000		60,000				
Donations and Other	-	307,779		43,011	350,790					-				
Total Revenues	3,037,879	39,417,596	58,492	927,861	43,441,828	3,037,879	42,465,990	60,000	1,758,264	47,322,133				
EXPENDITURES														
Current Programs:														
Board of Trustees	93,855	2,840,061			2,933,916	58,324	2,900,667			2,958,991				
Support Services	1,645,907	16,700,985	54,225		18,401,117	1,648,439	21,388,646	443,405		23,480,490				
Beneficiary Advocacy	1,298,117	17,176,305	200,000	1,221,560	19,895,981	1,331,116	15,942,380	250,000	2,236,895	19,760,391				
Total Expenditures	3,037,879	36,717,350	254,225	1,221,560	41,231,014	3,037,879	40,231,693	693,405	2,236,895	46,199,872				

		Pr	ojected FY 2020			Pr	ojected FY 2021			
	General	Trust	Special	Federal	Total	General	Trust	Special	Federal	Total
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
REVENUES										
General Fund Appropriations	3,980,579				3,980,579	3,980,579				3,980,579
Public Land Trust		25,052,862			25,052,862		27,001,799			27,001,799
Dividend & Interest Income		17,692,555		500,000	18,192,555		17,886,701		500,000	18,386,701
Federal and Other Grants				1,761,110	1,761,110				1,851,553	1,851,553
Newpaper Ads			60,000		60,000			60,000		60,000
Donations and Other			932,578		932,578					
Total Revenues	3,980,579	42,745,417	992,578	2,261,110	49,979,684	3,980,579	44,888,500	60,000	2,351,553	51,280,632
EXPENDITURES										
Current Programs:										
Board of Trustees	89,044	2,829,412			2,918,456	89,044	2,890,227			2,979,271
Support Services	2,084,149	22,988,193	1,393,719		26,466,061	2,084,149	24,912,017	479,587		27,475,753
Beneficiary Advocacy	1,807,385	15,776,672	750,000	2,261,110	20,595,167	1,807,385	15,916,669	750,000	2,351,554	20,825,608
Total Expenditures	3,980,578	41,594,277	2,143,719	2,261,110	49,979,684	3,980,578	43,718,913	1,229,587	2,351,554	51,280,632

		F	rojected FY 2022		Projected FY 2023						
	General	Trust	Special	Federal	Total	General	Trust	Special	Federal	Total	
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	
REVENUES											
General Fund Appropriations	3,980,579				3,980,579	3,980,579				3,980,579	
Public Land Trust		27,541,835			27,541,835		28,092,672			28,092,672	
Dividend & Interest Income		18,244,435		510,000	18,754,435		18,244,435		510,000	18,754,435	
Federal and Other Grants				1,888,584	1,888,584				1,888,584	1,888,584	
Newpaper Ads			61,200		61,200			61,200		61,200	
Donations and Other					-			. (-1	
Total Revenues	3,980,579	45,786,270	61,200	2,398,584	52,226,633	3,980,579	46,337,107	61,200	2,398,584	52,777,470	
EXPENDITURES											
Current Programs:											
Board of Trustees	89,044	2,948,032			3,037,076	89,044	2,948,032			3,037,076	
Support Services	2,084,149	25,410,257	489,179		27,983,585	2,084,149	25,961,094	489,179		28,534,422	
Beneficiary Advocacy	1,807,385	16,235,002	765,000	2,398,585	21,205,972	1,807,385	16,235,002	765,000	2,398,585	21,205,972	
Total Expenditures	3,980,578	44,593,291	1,254,179	2,398,585	52,226,633	3,980,578	45,144,128	1,254,179	2,398,585	52,777,470	

		P	rojected FY 2024		Projected FY 2025							
	General	Trust	Special	Federal	Total	General	Trust	Special	Federal	Total		
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds		
REVENUES							•					
General Fund Appropriations	3,980,579				3,980,579	3,980,579				3,980,579		
Public Land Trust		28,654,525			28,654,525		29,227,616			29,227,616		
Dividend & Interest Income		18,244,435		510,000	18,754,435		18,244,435		510,000	18,754,435		
Federal and Other Grants				1,888,584	1,888,584				1,888,584	1,888,584		
Newpaper Ads			61,200		61,200			61,200		61,200		
Donations and Other					-					-		
Total Revenues	3,980,579	46,898,960	61,200	2,398,584	53,339,323	3,980,579	47,472,051	61,200	2,398,584	53,912,414		
EXPENDITURES												
Current Programs:												
Board of Trustees	89,044	2,948,032			3,037,076	89,044	2,948,032			3,037,076		
Support Services	2,084,149	26,522,947	489,179		29,096,275	2,084,149	27,096,038	489,179		29,669,366		
Beneficiary Advocacy	1,807,385	16,235,002	765,000	2,398,585	21,205,972	1,807,385	16,235,002	765,000	2,398,585	21,205,972		
Total Expenditures	3,980,578	45,705,981	1,254,179	2,398,585	53,339,323	3,980,578	46,279,072	1,254,179	2,398,585	53,912,414		

OFFICE OF HAWAHAN AFFAIRS FISCAL YEAR 2018 2019 VARIANCE REPORT

Г			FIS	CAL YE	AR 2018 2019 VAI	HANCE REPOR	(1					
-		FISCAL YEAR	2018		FISCAL YEAR	2019 THREE MC	ONTHS ENDED	ESTIMA	TE NINE MONTH	IS ENDED 6-30-1	9	
ŀ	Budgeted	Actual	±Change	e,	Budgeted	Actual	±Change	00	Budgeted	ESTIMATED	±Change	e;
EXPENDITURES					<u> </u>	No. of the Control of						
GENERAL FUNDS												
Board of Trustees		100										N. S. S. S.
Personnel	93,856	93,855	(1)	(())	14,581	18,356	3,775	26	43,743	39,968	(3,775)	(9)
Operations		-	-									
Subtotal - Board of Trustees	93,856	93,855	(1)	(0)	14,581	18,356	3,775	26	43,743	39,968	(3,775)	
Support Services				3 (12) (13)						的代码是包括方字中 。		
Personnel	802,469	786,762	(15,707)	(2)	206,791	195,746	(11,046)	(5)	620,374	631,419	11,046	2
Operations	821,274	820,500	(774)	(0)	205,319	821,274	615,956	300	615,956		(615,956)	(100)
Subtotal - Support Services	1,623,743	1,607,262	(16,481)	(1)	412,110	1,017,020	604,910	147	1,236,329	631,419	(604,910)	
Beneficiary Advocacy												
Personnel	170,851	148,687	(22,164)	(13)	45,422	37,976	(7,445)	(16)	136,265	143,710	7,445	5
Operations	1,149,430	1,149,430		·	838,180	434,067	(404,113)	(48)	862,073	715,363	(146,710)	(17)
Subtotal - Beneficiary Advocacy	1,320,281	1,298,117	(22,164)	(2)	883,602	472,043	(411,558)	(47)	998,337	859,073	(139,264)	(14)
Total Expenditures				100								
TOTAL - GENERAL FUNDS	3,037,879	2,999,234	(38,645)	(1)	1,310,292	1,507,419	197,127	15	2,278,409	1,530,460	(747,949)	(33)
TRUST FUNDS												
Board of Trustees										ALCOHOLD SERVER		
Personnel	2,518,847	2,517,675	(1,172)	(())	638,793	630,988	(7,805)	(1)	1,916,379	1,924,184	7,805	()
Operations	845,445	742,396	(103,049)	-	86,374	135	(86,239)		259,121	345,360	86,239	
Subtotal - Board of Trustees	3,364,292	3,260,071	(104,221)	(3)	725,167	631,123	(94,044)	(13)	2,175,500	2,269,544	94,044	
Support Services				B BURE				AT STATE				
Personnel	5,816,200	5,710,989	(105,210)	(2)	1,501,587	1,466,183	(35,404)	(2)	4,504,762	4,540,166	35,404	1
Operations	16,447,739	13,917,320	(2,530,419)	(15)	3,845,575	4,437,772	592,197	1.5	11,536,722	10,944,525	(592,197)	(5)
Subtotal - Support Services	22,263,938	19,628,309	(2,635,629)	(12)	5,347,162	5,903,955	556,793	10	16,041,484	15,484,691	(556,793)	
Beneficiary Advocacy												
Personnel	5,610,109	5,541,131	(68,978)	(1)	1,508,031	1,407,860	(100,171)	(7)	4,524,094	4,624,266	100,172	2
Operations	9,177,203	8,738,851	(438,352)	(5)	2,477,564	2,887,801	410,237	17	7,432,691	7,022,453	(410,238)	(6)
Subtotal - Beneficiary Advocacy	14,787,312	14,279,982	(507,330)	(3)	3,985,595	4,295,660	310,065	8	11,956,785	11,646,719	(310,066)	(3)
Total Expenditures		A SECURITY PROPERTY OF THE										
TOTAL - TRUST FUNDS	40,415,542	37,168,362	(3,247,180)	(8)	10,057,924	10,830,739	772,815	8	30,173,769	29,400,954	(772,815)	(3)
SPECIAL FUNDS	_											
Board of Trustees			伊州 公司 建 合为企会省							REPORTED !		
Personnel			-	-				-				
Operations	-	_										
Subtotal - Board of Trustees			-	-			-		_			
Support Services				No. of Contract of							基础,在1000000000000000000000000000000000000	
Personnel		250 105		- 50			05.050		-			-
Operations	520,395	259,197	(261,198)	(50)	110,852	15,780	(95,072)	(86)	332,555	427,625	95,070	29
Subtotal - Support Services Beneficiary Advocacy	520,395	259,197	(261,198)	(50)	110,852	15,780	(95,072)	(86)	332,555	427,625	95,070	29
Personnel												
Operations	200,000	200,000			62,500	250,000	187,500	300	187,500		(187,500)	(100)
Subtotal - Beneficiary Advocacy	200,000	200,000	-		62,500	250,000	187,500	300	187,500	_	(187,500)	(100)
Total Expenditures				15 45 65			National Company	the could be	107,500		(107,.707)	(100)
TOTAL - HAWAHAN PROJECT	720,395	459,197	(261,198)	(36)	173,352	265,780	92,428	53	520,055	427,625	(92,430)	(18)
										TO COMPANY OF THE PARTY OF THE		, /
FEDERAL FUNDS												
Board of Trustees		Albania Video de Cartos Video		TO ADDRESS.	SCHOOL SHOULD BE SEEN							

OFFICE OF HAWAHAN AFFAIRS FISCAL YEAR 2018 2019 VARIANCE REPORT

Γ	A STATE OF THE STA	A1										
		FISCAL YEAR	2018		FISCAL YEAR	2019 THREE MC	ONTHS ENDED	9-30-18	ESTIMATE NINE MONTHS ENDED 6-30-19			
	Budgeted	Actual	±Change	e.	Budgeted	Actual	±Change	e.e	Budgeted	ESTIMATED	±Change	e'c
EXPENDITURES												
Personnel												
Operations	-			-								
Subtotal - Board of Trustees	-			-					-	_	-	
Support Services		SERVICE CONTRACTOR										
Personnel								-				
Operations	-	-		-				- 1				
Subtotal - Support Services	-	-	~		_			-	_		-	
Beneficiary Advocacy			BEAUTIFUL STATE						Egyven E			
Personnel	814,181	611,896	(202,286)	(25)	212,460	130,397	(82,063)	(39)	637,379	719,442	82,063	1.3
Operations	1,659,590	321,774	(1,337,815)	(81)	311,601	177,402	(134,199)	(43)	934,801	1,068,998	134,197	1-4
Subtotal - Beneficiary Advocacy	2,473,771	933,670	(1,540,101)	(62)	524,061	307,799	(216,262)	(41)	1,572,180	1,788,440	216,260	14
Total Expenditures			THE YEAR AS IN					第2000年			KS NOW THE WAY	
TOTAL - FEDERAL FUNDS	2,473,771	933,670	(1,540,101)	(62)	524,061	307,799	(216,262)	(41)	1,572,180	1,788,440	216,260	14
TOTAL - BOARD OF TRUSTEES	3,458,148	3,353,927	(104,221)	(3)	739,748	649,479	(90,269)	(12)	2,219,243	2,309,512	90,269	+
TOTAL - SUPPORT SERVICES	24,408,076	21,494,768	(2,913,308)	(12)	5,870,124	6,936,755	1,066,632	18	17,610,368	16,543,735	(1,066,634)	(6)
TOTAL - BENEFICIARY ADVOC	18,781,363	16,711,769	(2,069,594)	(11)	5,455,758	5,325,503	(130,255)	(2)	14,714,802	14,294,232	(420,570)	(3)
GRAND TOTAL	46,647,587	41,560,463	(5,087,124)	(11)	12,065,629	12,911,737	846,108	7	34,544,413	33,147,478	(1,396,935)	(4)
_												-